



**CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE**

June 18, 1998

**H.R. 1847
Telemarketing Fraud Prevention Act of 1997**

As cleared by the Congress on June 16, 1998

CBO estimates that implementing H.R. 1847 could lead to increases in both direct spending and receipts, but that the amounts involved would be less than \$500,000 per year. H.R. 1847 would provide for increased penalties, including criminal fines, for offenses relating to telemarketing fraud. In addition, the act would subject any real or personal property used in or gained from telemarketing fraud to forfeiture to the United States.

Enacting H.R. 1847 could increase governmental receipts through greater collections of criminal fines. However, because very few individuals are convicted for telemarketing fraud each year, CBO estimates that any such increase would be less than \$500,000 annually. Criminal fines are deposited in the Crime Victims Fund and spent the following year. Thus, the change in direct spending from the fund would match any increase in revenues attributable to H.R. 1847, with a one-year lag.

Enacting H.R. 1847 also could lead to more assets being seized and forfeited to the United States, but we estimate that any such increase would be less than \$500,000 annually in value. Proceeds from the sale of any such assets would be deposited as revenues into the assets forfeiture fund of the Department of Justice and spent out of that fund in the same year. Thus, the change in direct spending from the assets forfeiture fund would match any increase in revenues to that fund.

The CBO staff contact for this estimate is Mark Grabowicz. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.